



General Assembly

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***Amendment***

LCO No. 5596

\*HB0642105596HR0\*

Offered by:

REP. WINKLER, 41<sup>st</sup> Dist.

To: Subst. House Bill No. 6421

File No. 619

Cal. No. 422

***"AN ACT CONCERNING LIABILITY OF PERSONS RENTING OR  
LEASING MOTOR VEHICLES."***

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Section 14-15 of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective July 1, 2003*):

5 (a) Any person, firm or corporation before engaging in the business  
6 of leasing or renting motor vehicles without drivers in this state and  
7 any person, firm or corporation which is the lessor of or rents any  
8 vehicle required to be registered under the provisions of section 14-15a  
9 shall make a sworn application to the Commissioner of Motor Vehicles  
10 for a license to engage in such leasing or renting. Each such application  
11 and each application for renewal shall be accompanied by a fee of  
12 three hundred dollars. Each such license shall be renewed biennially  
13 according to renewal schedules established by the commissioner so as  
14 to effect staggered renewal of all such licenses. If the adoption of a

15 staggered system results in the expiration of any license more or less  
16 than one year from its issuance, the commissioner may charge a  
17 prorated amount for such license fee. Not less than forty-five days  
18 prior to the date of expiration of each such license, the commissioner  
19 shall mail to each licensee an application for renewal. An application  
20 for renewal filed with the commissioner after the date of expiration  
21 shall be accompanied by a late fee of one hundred dollars provided the  
22 commissioner shall not renew any license under this subsection that  
23 has expired for more than forty-five days. No such license shall be  
24 transferred. Such licensee shall furnish proof of financial responsibility  
25 satisfactory to the commissioner, as provided by section 14-112 or 14-  
26 129, provided such licensee may furnish such proof separately with  
27 respect to each vehicle or each group of vehicles leased to any single  
28 lessee. Each application for such license shall contain the name and  
29 address of the owner and shall be accompanied by a surety bond as  
30 required pursuant to section 14-52. Each application for registration of  
31 a motor vehicle to be leased for a period of more than thirty days shall  
32 contain the name and address of the owner and the lessee of such  
33 vehicle. The owner of such vehicle shall disclose the name and address  
34 of any subsequent lessee of such vehicle to the commissioner in such  
35 manner as the commissioner may require. The commissioner shall  
36 ensure that such information relative to the lessee is available to the  
37 Connecticut on-line law enforcement communications teleprocessing  
38 system. Each person, firm or corporation licensed under the provisions  
39 of this subsection shall keep such books, records and accounts as the  
40 commissioner may require provided each licensee shall retain a copy  
41 of each rental or lease contract for a period of three years, which shall  
42 be subject to inspection by the commissioner or the commissioner's  
43 designee at all reasonable times. The provisions of this subsection shall  
44 not apply to any person, firm or corporation which, incidental to the  
45 conduct of its principal business, leases or rents any motor vehicle  
46 without a driver to other persons, firms or corporations whose  
47 principal business is the same as that of the lessor. Violation of any  
48 provision of this subsection shall be an infraction.

49 (b) Each person, firm or corporation licensed under the provisions  
50 of subsection (a) of this section that in the opinion of the commissioner  
51 is qualified and holds a current registration certificate for a motor  
52 vehicle used in connection with its business may issue a sixty-day  
53 temporary transfer of such registration to any other vehicle used in  
54 connection with its business with an official stamp issued by the  
55 commissioner to such licensee. The licensee, within five days from the  
56 issuance of such temporary registration, shall submit to the  
57 commissioner an application together with all necessary documents  
58 for a permanent registration for the vehicle transferred. The  
59 commissioner shall adopt regulations<sub>2</sub> in accordance with the  
60 provisions of chapter 54<sub>2</sub> to implement the provisions of this  
61 subsection.

62 (c) Notwithstanding the provisions of section 14-22, the  
63 commissioner may authorize any person, firm or corporation licensed  
64 under the provisions of subsection (a) of this section who in the  
65 opinion of the commissioner is qualified and who holds a current  
66 registration certificate for a motor vehicle used in connection with its  
67 business to renew such registration by means of an electronic data  
68 processing system connected to the system of registration records  
69 maintained by the commissioner. The commissioner shall adopt  
70 regulations in accordance with the provisions of chapter 54 to  
71 implement the provisions of this subsection.

72 (d) (1) Each person, firm or corporation that is licensed under the  
73 provisions of subsection (a) of this section shall pay interest on each  
74 security deposit received for the lease or rental of a motor vehicle. The  
75 interest rate for each calendar year of the lease or rental of a motor  
76 vehicle shall be not less than the deposit index, as defined in  
77 subdivision (2) of this subsection, for that year, except that in no event  
78 shall the rate be less than one and one-half per cent. On the  
79 termination of the lease or rental, such interest shall be paid to the  
80 lessee.

81 (2) The Commissioner of Banking shall publish the rate that takes

82 effect July 1, 2003, in the Department of Banking news bulletin no later  
83 than July 15, 2003. The deposit index for each calendar year shall be  
84 equal to the average rate paid on savings deposits by insured  
85 commercial banks as last published in the Federal Reserve Board  
86 Bulletin in November of the prior year. The commissioner shall  
87 determine the deposit index for each calendar year and publish such  
88 deposit index in the Department of Banking news bulletin no later  
89 than December fifteenth of the prior year. The commissioner shall also  
90 cause such rates to be disseminated in a manner designed to come to  
91 the attention of persons, firms and corporations that are licensed under  
92 the provisions of subsection (a) of this section. For purposes of this  
93 subsection, "Federal Reserve Board Bulletin" means the monthly  
94 survey of selected deposits published as a special supplement to the  
95 Federal Reserve Statistical Release Publication H.6 published by the  
96 Board of Governors of the Federal Reserve System or, if such bulletin is  
97 superseded or becomes unavailable, a substantially similar index or  
98 publication."